EMPLOYMENT VERIFICATION

Federal Agencies Have Taken Steps to Improve E-Verify, but Significant Challenges Remain

Why GAO Did This Study

E-Verify is a system to electronically verify work eligibility and operated by the Department of Homeland Security's (DHS) U.S. Citizenship and Immigration Services (USCIS) and the Social Security Administration (SSA). GAO testified in June 2008 that ensuring accuracy and combating fraud were challenges facing E-Verify. As requested, GAO examined the extent to which USCIS and SSA took efforts to (1) reduce tentative nonconfirmations (TNC) and E-Verify's vulnerability to fraud, (2) safeguard employee personal information, and (3) prepare for possible mandatory use by all employers nationwide. GAO reviewed key policy and procedural documents, interviewed relevant DHS and SSA officials, and conducted site visits to three states selected, in part, based on employer types.

What GAO Recommends

GAO recommends, among other things, that USCIS disseminate information to employees on the importance of consistently recording their names, DHS components develop procedures to help employees correct inaccurate personal information, USCIS develop reliable cost estimates for E-Verify, and SSA assess risks associated with its E-Verify workload costs. DHS and SSA generally agreed with most of GAO's recommendations. SSA disagreed that it should assess risks associated with its workload costs because it believes it already does so. GAO believes the recommendation is valid because SSA's risk estimate has limitations as discussed in the report.

View GAO-11-146 or key components. For more information, contact Richard M. Stana at (202) 512-8777 or stanar@gao.gov.

What GAO Found

Since GAO last testified in June 2008, USCIS has taken several steps to improve the accuracy of the E-Verify system, including expanding the number of databases queried through E-Verify and instituting quality control procedures. As a result, USCIS data indicate that E-Verify immediately confirmed about 97.4 percent of almost 8.2 million newly hired employees as work authorized during fiscal year 2009, compared to 92 percent from fiscal year 2006 to the second quarter of fiscal year 2007. However, E-Verify errors persist. Also, if an authorized employee's name is recorded differently on various authorizing documents, the E-Verify system is to issue a TNC for the employee. Because such TNCs are more likely to affect foreign-born employees, they can lead to the appearance of discrimination. USCIS has not disseminated information to employees advising them of the importance of consistently recording their names on documentation provided to employers, and doing so could help USCIS reach its goal to ensure data accuracy. Furthermore, E-Verify remains vulnerable to identity theft and employer fraud. Resolving these issues will be important in combating fraud in the employment verification process.

USCIS has taken steps to minimize risks to the privacy of personal information for new employees who are processed through E-Verify by, among other things, publishing privacy notices for the E-Verify program. However, employees are limited in their ability to identify the source of and how to correct information in DHS databases that may have led to an erroneous TNC. To identify and access the source of the incorrect data, employees must use methods such as Privacy Act requests, which, in fiscal year 2009, took on average 104 days. DHS officials acknowledged that the current process for employees to correct their personal records could be improved and said they are discussing ways to provide employees with better access to relevant information. By developing procedures that could enable employees to effectively correct any inaccurate personal information, DHS components could help employees avoid receiving erroneous TNCs.

USCIS and SSA have taken actions to prepare for possible mandatory implementation of E-Verify for all employers nationwide by addressing key practices for effectively managing E-Verify system capacity and availability and coordinating with each other in operating E-Verify. However, USCIS's lifecycle cost estimates for E-Verify do not reliably depict current costs (i.e., do not include all costs associated with maintaining and operating E-Verify) and SSA's estimates do not consider the risk associated with changes in SSA's E-Verify workload. Without DHS developing reliable life cycle cost estimates for E-Verify, and SSA assessing the risk associated with its E-Verify workload, the agencies are at increased risk of not securing sufficient resources to effectively execute program plans in the future.

_____ **United States Government Accountability Office**